

CHAPTER 5  
LICENSEES OF OTHER JURISDICTIONS AND RECIPROCITY

[Prior to 9/4/02, see 193E—2.3(543B)]

**193E—5.1(543B) Licensees of other jurisdictions.** As provided in Iowa Code section 543B.21, a nonresident of this state may be licensed as a real estate broker or a real estate salesperson upon complying with all requirements of Iowa law and with all the provisions and conditions of Iowa Code chapter 543B and commission rules relative to resident brokers or salespersons.

**5.1(1)** A person licensed as a salesperson in another state or jurisdiction making application in Iowa by reciprocity or as provided in rule 193E—5.3(543B) shall qualify only for a salesperson license in Iowa.

**5.1(2)** A person licensed as a broker or broker associate in another state or jurisdiction making application in Iowa by reciprocity or as provided in rule 193E—5.3(543B) shall qualify only for the same type of broker or broker associate license in Iowa.

**5.1(3)** A person shall not perform any activities in Iowa as provided by Iowa Code chapter 543B without qualifying for and being issued a real estate license.

**193E—5.2(543B) Nonresident application.** Each applicant under rule 193E—5.3(543B) or under a reciprocal licensing agreement or memorandum must apply on forms provided by the commission as required by Iowa Code section 543B.16. The application shall include but not be limited to a certification of license from the state of original licensure containing all information required by Iowa Code section 543B.21 and an affidavit certifying that the applicant has reviewed and is familiar with and will be bound by the Iowa real estate license law and the rules of the commission.

**193E—5.3(543B) License by Iowa-specific examination.** A nonresident applicant licensed as a real estate salesperson or broker in a state or jurisdiction which does not have a reciprocal licensing agreement or memorandum with Iowa, or an applicant who does not qualify for reciprocal licensing, may be issued a comparable Iowa license by passing the Iowa portion of the examination under the following circumstances:

**5.3(1) Broker.** The person has been actively licensed as a broker or broker associate and the license has not been inactive or expired for more than six months immediately preceding the date of passage of the examination.

**5.3(2) Salesperson.** The person has been actively licensed as a salesperson and the license has not been inactive or expired for more than six months immediately preceding the date of passage of the examination.

**5.3(3)** The applicant must submit a written request for authorization to sit for the appropriate examination.

**5.3(4)** The applicant must submit certification of the applicant's current qualifying license from the licensing authority that issued the license.

**193E—5.4(543B) Licensure by reciprocity.** The commission may, as provided in Iowa Code section 543B.21, enter into specific written reciprocal licensing agreements or memorandums with other individual states or jurisdictions having similar licensing requirements and grant an Iowa license to licensees from those states or jurisdictions on the same basis as Iowa licensees are granted licenses by those states or jurisdictions.

**5.4(1)** The applicant shall not be a resident of Iowa.

**5.4(2)** A license issued pursuant to this rule must be based upon a nonresident salesperson or broker license issued by examination.

**5.4(3)** A license issued pursuant to this rule must be assigned to the same broker or firm as the non-resident license upon which it is based.

**5.4(4)** If an applicant establishes residency in Iowa, that person does not qualify for licensure by reciprocal licensing agreement or memorandum.

**5.4(5)** An Iowa license issued by reciprocity is based upon the nonresident license issued by examination in that other state or jurisdiction and must be issued to the same broker and location as the nonresident license. The nonresident broker and firm, if applicable, must also be licensed in Iowa.

**5.4(6)** A reciprocity agreement or memorandum of understanding is only a method to apply for licensure and does not grant any exception to mandatory license laws of Iowa or the other state or jurisdiction.

**5.4(7)** An Iowa licensee wishing to obtain a license in any other state or jurisdiction should contact that state's or jurisdiction's licensing board for information and applications. Contact information and a list of states and jurisdictions that have entered into reciprocal licensing agreements or memorandums with Iowa, including addresses and telephone numbers, are available on the commission's Web site located at <http://www.state.ia.us/irec>.

**193E—5.5(543B) Renewal of a license issued by reciprocity.** All renewal requirements for a real estate broker or salesperson license issued by examination shall apply to a license issued by reciprocity.

Continuing education reciprocity must be specifically provided for in the reciprocal license agreement or memorandum, or in a separate reciprocal continuing education agreement or memorandum.

**193E—5.6(543B) Reinstatement of a license issued by reciprocity.** All reinstatement requirements for a real estate broker or salesperson license issued by examination shall apply to a license issued by reciprocity, except that the reinstatement fee is \$25 with an original reciprocal license application.

**5.6(1)** Starting over. A broker or salesperson who fails to file a complete application to reinstate an expired license by midnight December 31 of the third year following expiration shall be treated as if the former broker or salesperson had never been licensed in Iowa.

**5.6(2)** A broker or salesperson must qualify for reciprocity in order to reinstate an expired reciprocal broker or salesperson license.

**5.6(3)** If the broker or salesperson has moved into Iowa and no longer qualifies for reciprocity, the expired license must be reinstated in the same manner as a license issued by examination as provided in rule 193E—3.6(272C,543B) for brokers and rule 193E—4.6(272C,543B) for salespersons.

**193E—5.7(543B) Nonresident real estate offices and licenses required.** All nonresident applicants for licensure in Iowa shall qualify for and obtain a license pursuant to Iowa Code section 543B.2(2) and rule 193E—7.1(543B).

**5.7(1)** If the applicant is a broker associate or salesperson of a nonresident broker, the nonresident employing broker must have an Iowa broker license.

**5.7(2)** If the applicant is employed by or otherwise associated with a nonresident real estate firm as defined in rule 193E—2.1(543B), that firm must apply and qualify for an Iowa license.

*a.* No firm as defined in rule 193E—2.1(543B) shall be granted an Iowa license unless at least one member or officer of the firm applies for and is granted an Iowa broker license.

*b.* Every member or officer of the firm and every employee or associated real estate licensee who acts as a real estate broker, broker associate, or salesperson in Iowa must apply for and be granted an Iowa license.

**5.7(3)** As provided by Iowa Code section 543B.22, a nonresident broker or firm is not required to maintain a definite place of business in Iowa if that broker or firm maintains an active place of business within the resident state or jurisdiction.

**193E—5.8(543B) License as prerequisite.** A person is prohibited from bringing action in Iowa courts for the collection of compensation for real estate services performed in Iowa without providing proof of Iowa real estate licensure, as required by Iowa Code section 543B.30.

**193E—5.9(543B) Actions against nonresidents.** The application for a nonresident license must be accompanied by an executed irrevocable written consent to suits and actions at law or in equity as provided in Iowa Code section 543B.23.

**193E—5.10(543B) Nonresident continuing education.** Nonresident licensees shall fully comply with all continuing education requirements unless a separate education agreement is in place between Iowa and the nonresident state or jurisdiction.

**193E—5.11(543B) License discipline reporting required.** If a nonresident Iowa licensee has a real estate license disciplined, suspended or revoked by any other state or jurisdiction, that disciplinary action will be considered prima facie evidence of violation of Iowa Code section 543B.29 or 543B.34 or both, and a hearing may be held to determine whether similar disciplinary action should be taken against the Iowa licensee. Failure to notify the commission of adverse action taken by another state or jurisdiction shall be cause for disciplinary action.

These rules are intended to implement Iowa Code chapters 17A, 272C and 543B.

[Filed 8/9/02, Notice 6/26/02—published 9/4/02, effective 10/9/02]